



U.S. Department of Justice

Antitrust Division

*City Center Building
1401 H Street, NW
Washington, DC 20530*

February 9, 2000

Mark Zeltwanger
President and CEO
Wyatt Farm Center
P.O. Box 59
66400 St. Rd. 331
Wyatt, IN 46595

Re: Comment on Proposed Final Judgment in *United States v. Fiat S.p.A. et al.*
(D.D.C. filed Nov. 4, 1999)

Dear Mr. Zeltwanger:

This letter responds to your December 27, 1999 letter commenting on the proposed Final Judgment in *United States v. Fiat S.p.A. et al.* (D.D.C. filed Nov. 4, 1999), which is currently pending in federal district court in the District of Columbia. The Complaint filed by the United States alleges that the proposed acquisition of Case Corporation ("Case") by Fiat S.p.A. ("Fiat") would result in a substantial lessening of competition in the manufacture and sale of two-wheel drive ("2WD") tractors, four-wheel-drive ("4WD") tractors, and several types of hay and foraging equipment. The proposed Final Judgment would settle the case by requiring the divestiture of New Holland's 2WD and 4WD tractor lines and the sale of Case's interest in Hay and Forage Industries ("HFI"), a joint venture engaged in the manufacture of hay and forage equipment.

In your letter, you express concern that the proposed Final Judgment will result in the elimination of the New Holland tractor lines as a competitive alternative in the marketplace. Specifically, your letter states that "to the American farmer, this [settlement] means that one very competitive brand of tractor (New Holland blue tractors) has been eliminated from competition[,] and instead of giving the American farmer more choices when he goes to buy a tractor he now only has green [John Deere] and red [Case]."

The United States disagrees with your assertion that the proposed Final Judgment will reduce the choices available to the American farmer when purchasing a new tractor. Far from being eliminated, the proposed Final Judgment requires that the New Holland tractor lines be sold to another company (or companies) with the capability and will to provide substantial competition in the tractor markets. Farmers will still be able to buy the New Holland tractor lines, and will not suffer a reduction in tractor alternatives because of either Fiat's acquisition of Case or the terms of the proposed Final Judgment. The United States strongly believes

the divestitures required by the proposed Final Judgment will alleviate the competitive concerns alleged in the Complaint and preserve competition in the 2WD and 4WD tractor markets.

Thank you for bringing your concerns to our attention. I trust you appreciate that we have given them due consideration, and hope this response will help alleviate them. Pursuant to the Antitrust Procedures and Penalties Act, 15 U.S.C. § 16(d), a copy of your comment and this response will be published in the Federal Register and filed with the Court.

Sincerely yours,

/s/

J. Robert Kramer II
Chief
Litigation II Section